

Workforce Restructuring



Objectives

- Voluntary Early Retirement Authority (VERA)
- ➤ Voluntary Separation Incentive Pay (VSIP)
- ➤ Reduction in Force (RIF)
- > Separation benefits and entitlements
- ➤ Outplacement Programs
 - Priority Placement Program (PPP)



Civilian Personnel Advisory Center

➤ Brief workforce

- RIF Process
- Outplacement assistance programs
- Retirements benefits and entitlements
- Separation benefits and entitlements
- Coordinate training
 - Retirement seminars
 - Stress Management
 - Change Management



RIF Avoidance Measures

- ➤ Offer buyouts and early retirement
 - Voluntary Separation Incentive Pay (VSIP)
 - Voluntary Early Retirement Authority (VERA)
- Manage tours and rotation
- ➤ Manage hiring actions
 - Temporary appointments, details, temporary promotions for in-service employees
 - Review vacancies/selections for possible match of excess employee



Voluntary Separation Incentive Pay (VSIP)

- ➤ Cash Incentive up to \$25,000 (based on severance pay calculation)
- > Not an entitlement
- > Criteria
 - Must be US citizen
 - Must have been employed in DoD for a continuous period of at least 12 months
 - Not on time limited appointment
 - Absent waiver, ineligible if
 - Covered by service agreement for PCS, training, recruitment or relocation bonus
 - Receiving retention allowance, in position with special salary rates, or in a hard to fill position



VSIP (Continued)

- May be approved for retirement or resignation
- ➤ When # of requests exceed # offered, approved in order of seniority using the leave service computation date
- ➤ Ineligible for registration in PPP
- ➤ May not be reemployed by DoD in any capacity for a 12-month period after separation
- Must repay entire amount if employed by any Federal agency within 5 years after separation



Voluntary Early Retirement Authority (VERA)

> VERA:

- Retirement at age 50 with 20 years of service or any age with 25 years of service
- Civil service retirement system (CSRS) annuity reduced by 2% per year for each year under age 55
- No reduction to federal employee retirement system (FERS) annuity
- > Not on a time limited appointment
- Not an entitlement



Reemployment Rights

- > Title 10, United States Code, Section 1586
 - Rights to former position or in a corresponding or higher position in that agency.
- ➤ Eligible employees:
 - Career or career-conditional in competitive service

And

- Offered assignment in a competitive or excepted service position outside US by DOD activity
- > Eligible to exercise reemployment if:
 - Satisfactory completion of overseas duty

And

Apply not later than 30 days following completion



Reemployment Rights

- > Ineligible to exercise reemployment rights if:
 - Accept overseas assignment after:
 - Submitting a resignation that may not be withdrawn
 - Receiving notice of involuntary separation, including RIF
 - Public announcement of activity closing
 - Receipt of function transfer for which employee did not respond
 - Declining a functional transfer offer
 - Receipt of proposed adverse action
 - Non-DOD agency employee
 - Accepted overseas position while on leave
 - Occupy intern position immediately prior to overseas assignment



Reemployment Rights

- > Forfeit reemployment rights if:
 - Placed in any position in the US
 - Notification for resignation or retirement submitted and overseas employer will not accept withdrawal of action or employee has completed PCS or separation travel
 - Accepted employment outside DOD
 - After a PCS move to the US for long-term training
 - Overseas tour extended beyond 5 years (3 years in Hawaii) and no extension granted
 - Failed to request reemployment within time limits



Reduction In Force (RIF)



Reduction in Force (RIF)

➤ What is RIF?

- RIF occurs when an employee is released from their competitive level by separation, demotion, furlough for more than 30 days, or reassignment requiring displacement.
- ➤ When does RIF occur?
 - Lack of work
 - Shortage of funds
 - Insufficient personnel authorizations
 - Reorganization/Base Closure
 - Exercise of reemployment (return) rights
 - Reclassification (in some instances)



Competitive Area (CA)

- ➤ Boundaries in which employees compete for retention during the reduction in force
 - Can be all or part of an agency
 - Can be Organizational or Geographical
- May be several competitive areas at one installation
- Determination made by management



Competitive Levels (CL)

- > Jobs that are:
 - Same Grade
 - Same Classification Series
 - Similar in:
 - Duties and Qualification Requirements
 - Pay Schedules and Working Conditions
- ➤ Positions in the same CL are interchangeable



Retention Register

- ➤ A list of all employees in a competitive area separated by competitive levels in order of retention standing.
- > Retention Standing
 - Tenure
 - Veterans Preference
 - Creditable Service
 - Performance Ratings



Retention Register Order

IAD Career 30% disabled veteran

IA Career preference eligible

IB Career, non-preference

IIAD Career conditional 30% disabled veteran

IIA Career conditional preference eligible

IIB Career conditional, non-preference

IIIAD Non-status 30% disabled veteran

IIIA Non-status preference eligible

IIIB Non-status, non-preference

Note: Within subgroups, standing is based on adjusted RIF service computation date (SCD)



RIF Notice Period

- ➤ 60 calendar day notice required does not include day notice is issued or effective date
- ➤ No effective dates/notices issued 15 Dec 3 Jan
- Delivery must be documented
- New 60 day notice period is offer changed and is worse
- No new notice period if offer is changed and is better
- Supervisor/manager should deliver notices



Grievances and Appeals

➤ Employees downgraded or separated due to RIF may appeal to the Merit Systems Protection Board (MSPB); appeals must be filed within 30 days after RIF effective date



Severance Pay

> Eligibility

- Must have served at least 12 continuous months in federal service
- Must not be eligible for an immediate annuity as a federal employee or as a retired member of the armed forces

Computation

- 1 week of basic pay for each year up to 10, plus 2 weeks pay for each year of service beyond 10, plus 10% of the above total x the number of years an employee's age exceeds 40
- Maximum amount = 1 year's pay
- Employee can elect bi-weekly or lump sum payment option



- Unused Annual Leave:
 - Paid in lump sum at the time of separation
- Unused Sick Leave:
 - Does not get paid out
 - If later re-employed by Federal government, sick leave balance is recredited
 - Counts towards retirement for CSRS not FERS
- Unused Compensatory Time:
 - Paid in lump sum at the time of separation at the overtime rate of the employee
- Unused Time Off Award, Credit Hours and/or Comp Time for Travel:
 - Cannot be paid out forfeited at the time of separation



- > Federal Employees Health Benefits (FEHB)
 - Continues for 31 days after separation
 - Employee can elect Temporary Continuation of Coverage (TCC).
 - Coverage is not automatic
 - Must be requested in writing within 60 days after separation
 - Coverage can last for 18 months only
 - Can be converted to private plan
 - When separated due to RIF, agency will continue to pay their share of the premium plus the 2% administrative fee.
 Employee must continue to pay their share of the premium.



- ➤ Federal Employees Group Life Insurance (FEGLI)
 - Covered without cost to employee for 31 days after separation
 - Can convert to an individual policy without taking a medical examination



- ➤ Thrift Savings Plan (TSP)
 - Separated participants with an account balance of less than \$200 will receive an automatic cashout
 - Withdrawal options:
 - Partial Withdrawal of at least \$1,000
 - Full Withdrawal
 - Single payment
 - Monthly payments
 - Life Annuity
 - Mixed Withdrawal
 - You can have your payments begin immediately or at a later date. You can also have the TSP Service Office transfer all or part of a single payment or series of monthly payments to an IRA or other eligible retirement plan.
 - You may also leave your money in the TSP if you so desire.



> Retirement Benefits

- Employee may cashout retirement account
 - CSRS If reemployed, can repay refund received + interest
 - FERS If reemployed, cannot repay refund
- Deferred Annuity delayed payment of benefit until criteria are met



Benefits Information & Retirement Process

> For additional information contact ABC-C

- Toll Free from Germany: 0800-1010282
- DSN from Germany 1986
- Counselors available 6 a.m.— 6 p.m. (CST)
- Website: https://www.abc.army.mil



Placement Assistance

- State employment services
- Interagency Career Transition Assistance Program (ICTAP)
- Reemployment Priority List (RPL)
- ➤ Priority Placement Program (PPP)



Reemployment Priority List (RPL)

- DOD Program
- Entitlement given to permanent employees separated through RIF
- RPL matches against temporary, term, and permanent DOD positions within registered local commuting area
- > RPL blocks most vacancy fills from outside candidates
- Does not stop internal placements
- Career employees (Tenure Group I) remain in the program for 2 years
- Career-Conditional employees (Tenure Group II) remain in the program for 1 year



Priority Placement Program (PPP)



Priority Placement Program (PPP)

➤ Purpose: Provides and automated method of matching skills of eligible DoD employees with vacancies at DoD activities



Priority Placement Program Eligibility

- > Who is NOT eligible to register:
 - Conduct or Performance is questionable
 - Temporarily physically incapacitated
 - Applied for Option or Disability Retirement
 - Re-employed Annuitants
 - Non-Appropriated Fund (NAF) Employees
 - Time-limited or Overseas Limited Appointments
 - Employees approved for VSIP



Priority Placement Program When to Register

- ➤ Displaced Employees:
 - Upon Receipt of RIF Notice
 - When Early Registration Is Approved by the Commander



- ➤ Minimum area likely to provide reasonable job opportunities within zone in which last resided or zone closer to overseas theater and/or overseas theater
- ➤ If ineligible for severance pay, can limit registration to component (Army)
- Cannot selectively pick or skip sites within the same geographic area
- Incremental expansion is required



➤ Displaced Employees:

- Without Return Rights (Subject to 5-year Rotation)
 - MUST Register for CONUS
 - MAY Also Register for O/S, Within Current Theater If Can Complete a Renewal Tour Within the 5-year Limitation



➤ Displaced Employees:

- With Return Rights to Current or Higher Grade
 - NOT Eligible for CONUS Registration
 - MAY Register Overseas, Within Current Theater IF Can Complete a Renewal Tour Within the 5-year Limitation
- Exercise Return Rights to CONUS



➤ Displaced Employees:

- With Return Rights to Lower Grade
 - MAY Register for CONUS
 - MAY Register overseas, Within Current Theater IF Can Complete a Renewal Tour Within the 5year Limitation
- Exercise Return Rights to CONUS



Priority Placement Program Registration Grades

- Employees register for current grade and lower grades
 - Generally, down to and including 3 grades lower
 - GS-9 and GS-11 employees in 2-grade interval jobs may register 4 grades below (e.g., GS-11 may register down to GS-7)
- > Employees with return rights to lower grades
 - If registering for U.S. cannot register at or below return rights grade



Priority Placement Program Registration Skills

- ➤ Must register for current skill
- May register for other skills if well qualified
 - Well Qualified able to meet all job requirements with orientation only
- ➤ May choose up to 5 skills



Priority Placement Program Registration Period

- Displaced employee remains registered until:
 - Placed
 - Declination of valid offer
 - Exercise of return rights
 - Not available or otherwise deleted
 - One year after separation



Priority Placement Program

- No contact allowed between employees and prospective employers
- Employees cannot "job shop" or alter registrations to try to hit or miss specific job openings
- ➤ 45 days is <u>normal</u> time allowed to report to new duty station



Priority Placement Program

- > Employees who decline a valid offer:
 - If eligible for severance pay, can re-register for commuting area after receipt of RIF letter
 - If ineligible for severance pay, cannot re-register
- ➤ Mandatory registration: employees eligible for severance pay must be registered for commuting area of last U.S. residence and overseas duty location, if able to complete a renewal tour, for positions down to 2 grades lower
- > Relocation expenses paid



QUESTIONS??